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.100 INTRODUCTION

The Social Security Administration's (SSA) Representative Payee Program provides fiduciary assistance to beneficiaries who are incapable of managing or directing someone else to manage their Social Security or SSI payments. The SSA generally looks for family or friends to serve in this capacity. When family or friends are not able to serve as payee, SSA looks for qualified organizations to be a representative. Once a representative payee is appointed, the beneficiaries benefits are then paid in the representative payee's name on the beneficiary's behalf. (See the Representative Payee section of the Social Security Handbook which can be found at <http://www.ssa.gov/>).

.200 DUTIES AND RESPONSIBILITIES

A representative payee must keep informed about the beneficiary's needs so that decisions can be made on how benefits can best be used for personal care and well being. Any money left after meeting the beneficiary's current and reasonably foreseeable needs must be saved and maintained in the beneficiary's behalf. Periodically, Social Security will ask the representative payee to complete a form accounting for the funds received.

The representative payee must keep Social Security informed of changes that may affect the beneficiary's eligibility for benefits. They are required by law to use benefits properly. If a payee misuses benefits, he or she must repay the misused funds to the beneficiary. A payee convicted of misuse may be fined and/or imprisoned.

The payee must first make sure the beneficiary's day-to-day needs for food and shelter are met. Then benefits may be used for the beneficiary's personal needs, such as clothing, recreation and other expenses. Benefits also can be used to pay for medical needs and dental care not provided by Medicare, Medicaid or a residential institution.

.300 RECORD KEEPING

The representative payee must keep records showing how much was received in benefits and how the money was used. These records must be kept for two years from the time a Representative Payee Report was completed. A payee is required to account for the funds received by completing this form.

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.400 REPORTING CHANGES

The representative payee must notify Social Security about any changes that may affect the checks received. The payee is liable for repayment of money received on behalf of the beneficiary if any of the events listed below occur and are not reported.

- The beneficiary dies;
- The beneficiary moves;
- The beneficiary starts or stops working, no matter how small the amount of earnings is;
- A disabled person's condition improves;
- The beneficiary starts receiving another government benefit, or the amount of the benefit changes;
- The beneficiary will be outside of the U.S. for 30 days or more;
- The beneficiary is imprisoned for a crime that carries a sentence of over one month;
- The beneficiary is committed to an institution by court order for a crime committed because of a mental impairment.;
- Custody of a child changes or a child is adopted;
- The beneficiary is a stepchild, and the parents divorce;
- The beneficiary gets married;
- The payee is no longer responsible for the beneficiary; or
- The beneficiary no longer needs a payee

.500 INSTITUTIONS SERVING AS PAYEE(S)

Institutions that serve as representative payee sometimes place funds for several beneficiaries in a single checking or savings account. This is called a collective account. This is usually acceptable, but special rules apply to these accounts. Contact Social Security for more information.